

HENDERSON DOLLAR DAYS MARCH 10-11-12

HENDERSON'S
POPULATION
13,873

Henderson Daily Dispatch

8 PAGES
TODAY

ONLY DAILY NEWSPAPER PUBLISHED IN THIS SECTION OF NORTH CAROLINA AND VIRGINIA.

TWENTY-FIFTH YEAR

LEASED WIRE SERVICE OF
THE ASSOCIATED PRESS.

HENDERSON, N. C., MONDAY AFTERNOON, MARCH 7, 1938

PUBLISHED EVERY AFTERNOON
EXCEPT SUNDAY.

FIVE CENTS COPY

BI-PARTISAN ATTACK ON TAX BILL BEGUN

Once Lovely Long Beach Homes—Now Driftwood



The beach near the mouth of the Los Angeles River at Long Beach is shown above, littered with tons of lumber and wreckage floated down by the raging waters of the disastrous flood. Thousands of valley residents are homeless—their homes piled on the beach by the flood waters.

(Central Press)

EDITOR BUCHARIN REFUSES TO ADMIT ESPIONAGE CHARGE

Former Soviet Government
Newspaper Chief Accepts
Blame for His
Subordinates

REFUSES TO ADMIT
GERMAN SPY ACTS
Says He Objected To Giving
Germany Any Territory To
Prevent Invasion of Russia
In Event of Coup of Conspirators
To Overthrow Soviets
Regime Succeeded

Moscow, March 7.—(AP)—Nikolai
Bucharin steadfastly refused today to
admit any personal share in espionage
for foreign powers as part of a
confessed plot against the Soviet re-
gime.

The former editor of Ivestia, govern-
ment newspaper, accepted responsi-
bility, however, for any spying his
subordinates may have done, whether
Japanese, British or German.

Bucharin and Andre Vishinsky quib-
bled nearly two hours at the opening
of today's session of Moscow's great
east treason murder trial over the pro-
secutor's attempt to pin espionage di-

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Japs Sweep Down Into Mid-China

Shanghai, March 7.—(AP)—Japa-
nese troops swept down the Shansi
railway today to the extreme south-
west corner of Shansi province and
from six strategic "jumping off"
points along the north bank of the
Yellow river, struggled to cross into
the heart of central China.

The victorious drive southward
through Shansi was climaxed by the
capture of Chaotsun, railway terminus
near the "big bend" of the Yellow
river. Chaotsun is just across the
river from Tungwan, on the impor-
tant east-west Lunghai railway.

Chinese forces defending the south
bank of the river have resisted thus
far, but military observers believe the
Japanese are ready for a supreme
effort.

After eight months of fighting,
Masayuki Tani, newly-appointed Ja-
panese envoy to China, says Japan's
attitude toward her Asiatic neighbor
remains "firm and unchanged". Tani,
designated as "minister-at-large" and
stationed at Shanghai, arrived here
today.

Two British Destroyers Are Attacked By Planes

Unidentified Bombers Fail to Make Hit off Eastern
Spanish Coast; Insurgent Cruiser Sunk; Was One of
Main Units in Bloc kade of Government

London, March 7.—(AP)—The Ad-
miralty disclosed today that the British
destroyers Blanche and Brilliant had
been attacked but not hit by five
unidentified bombing planes.

The attack occurred yesterday off
the Spanish coast in the same general
area where the Spanish government
fleet torpedoed and sank one of the
insurgents' prize cruisers.

An Admiralty official said he pre-
sumed the attack on the British ves-
sels was a result of the naval battle.
He added, however, that it obviously
was a case of mistaken identity.

(Spanish government war planes
took an active part in the naval bat-
tle, bombing insurgent warships and
strafing their decks with machine
gun fire.)

The Blanche and the Brilliant were

on Nyon patrol duty protecting neu-
tral shipping in the western Mediter-
ranean against so-called "pirate" raids.
Although the attacking planes were
unidentified, the Admiralty official
said he presumed they were "mopping
up" for one side or the other after
the naval battle and mistook the two
ships for enemy vessels.

The planes dropped several bombs,
none striking the destroyers, and then
wheeled away.

(Destruction of a crack 10,000-ton
insurgent cruiser in a naval battle off
Cartagena left a gaping hole today in
the insurgent fleet blockade of Span-
ish government ports. Spanish gov-
ernment authorities had not deter-
mined whether it was the Balceares or

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CONTROL CAMPAIGN GRIPS WHOLE STATE

Politics Takes Back Seat for
Time as Ratification Is
Urged

Daily Dispatch Bureau.
In the Sir Walter Hotel,
Raleigh, March 7.—Ordinary political
talk subsided to a mere whisper
last week as the drive to secure farm-
ers approval of the new crop control
act continued to grow in intensity
and concentration.

With meetings scheduled by the
State College Extension people in 81
of the State's 100 counties, and with
other meetings called by the State
Farm Bureau Federation in many
others, there will be no excuse for
the farmers not knowing what the
shouting's all about.

The college assemblies are ostensibly
for the purpose of "explaining" the
farm bill without indicating to the
growers how they shall vote. The
Farm Bureau gatherings are frankly

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THREE SOLICITORS REMIT THEIR FEES

Two in East and One in West Seek
Nominations in June 4 Demo-
cratic Primary

Raleigh, March 7.—(AP)—Three men
paid the State Elections Board \$47
each today to seek Democratic nomi-
nation in the June 4 primary to so-
licitorships.

They were Solicitor D. M. Clark, of
Greenville, in the 5th; S. M. Blount,
of Washington, in the first, and R. M.
Wells, of Asheville, in the nineteenth.

JAPAN TO CANCEL OLYMPICS IN 1940

Order Already Issued Prohibiting
Nippon Soldiers
Participating

Tokyo, March 7.—(AP)—War Min-
ister General Gen. Sugiyama announced
today the army was prohibiting
soldiers on the active list from partici-
pating in the 1940 Olympics to be
held in Tokyo and advocated their
cancellation.

Home Minister Admiral Nobumasa
Suetsugu, in a less positive state-
ment, endorsed the view "if the situa-
tion grows worse."

It was the first expression of op-
position to the Olympics from official
quarters. Hitherto an anti-Olympic
movement has been carried on by pa-
triotic organizations not connected
with the government.

The general and the home minister
appeared before a Diet committee con-
ducting hearings on the national
mobilization bill, giving wide powers
to the army.

Suetsugu observed that "not only
soldiers in active service, but those
on the retired list now are being called
to the colors."

"Therefore," the general added, "the
authorities have decided to prohibit
the active list group from partici-
pating in the Olympics."

WEATHER FOR NORTH CAROLINA.

Fair and continued cold, freez-
ing in extreme west, killing frost
in central portion and light to
heavy frost on the coast tonight;
Tuesday fair, with slowly rising
temperature.

FARM RELIEF NOW AS HIGH AS CITIES, OFFICIAL ASSERTS

Deluge of Applications from
Rural Sections Since
September, Commit-
tee Is Told

RECESSION EVILS
NOT PURELY URBAN

At Least 3,500,000 Families
Have Been Helped During
Depression, Corrington
Gill, WPA Rural Chief
Says; Curtailment Leaves
Mere Pittance

Washington, March 7.—(AP)—A Fed-
eral relief official told the Senate
Unemployment Committee today that
there had been a "deluge of applica-
tions" for rural relief since last Sep-
tember.

"The effects of the current business
recession have by no means been
confined to the cities," Corrington
Gill, assistant works progress admin-
istrator, in charge of rural relief,
said. "Large numbers of rural fami-
lies are experiencing severe privation."
"There is no question that at least one
third of the rural population is ill-fed,
ill-clothed and ill-housed."

Gill asserted the curtailment of
WPA that started last year had left
many rural families a "mere pit-
tance." He said a large number of

(Continued on Page Four.)

Levine Believes Kidnaped Son Is Alive Somewhere

New Rochelle, N. Y., March 7
(AP)—Murray Levine, father of
kidnaped 12-year-old Peter J.
Levine, said today that he believed
his son was still alive, despite
continued failure to make actual
contact with the abductors. He
also said he believed he was deal-
ing with the true kidnapers.
Commenting on the last ransom
note, but declining to say when
he received it, Levine said, "With
the last note there was some in-
dication my boy was alive, and
that I was dealing with the right
parties."
Shortly after his interview with
reporters, Levine addressed a new
appeal to the kidnapers, again
assuring them of a "safe contact."

Rebels Get Revenge On Government

Madrid, March 7.—(AP)—In swift
revenge for the government's first
big naval victory, the torpedoing of
the insurgent cruiser Balceares, Gen-
eral Francisco Franco's airmen raid-
ed the port of Cartagena five times
between midnight and noon today.

The government announcement of
the raids failed to mention casualties
but said the government naval force
base there escaped damage.

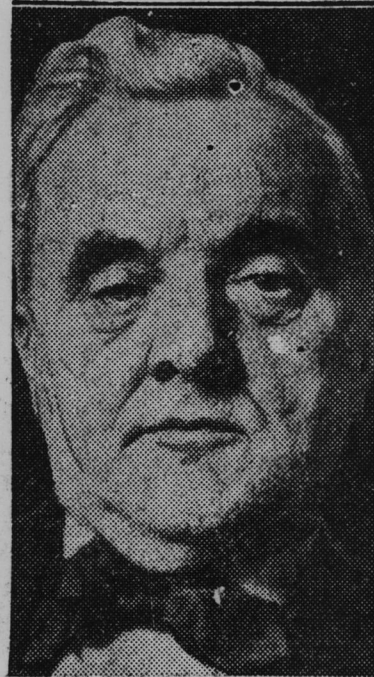
Two attacks came in the night,
and two more about 8 a. m., when two
squadrons swept in from the Mediter-
ranean near the spot where the 10,
000-ton Balceares was hit in yester-
day's naval engagement. The fifth
attack was carried out at noon.

Meanwhile, congratulatory tele-
grams poured in on the Cartagena
naval commander for the victory over
eight insurgent vessels in the
Sunday battle.

TVA CHIEF CREATES A STORM

Senator George W. Norris

Chairman Arthur E. Morgan



Harcourt Morgan

David E. Lillenthal

Friends of the Tennessee Valley Authority are rushing to its defense
following an attack by Chairman Arthur E. Morgan on his colleagues
in an 8,000-word statement, and a demand by him of an investiga-
tion of his agency. Senate leaders indicated that some sort of an
inquiry would be made in response to Chairman Morgan's demands.
Senator George Norris of Nebraska, who fathered the TVA, ac-
cused Chairman Morgan of giving aid and comfort to big business
enemies of the vast experiment. He charged that the suggested
inquiry would be directed principally at the other TVA board members,
David E. Lillenthal and Harcourt Morgan, who are pro-public power,
and thus would not be "fair." —Central Press

State College Officials Seek Full Investigation Into Sophomore's Death

Dean Cloyd Says He Is Con-
vinced Young Winslow's
Tragedy Was Not
Hazing

MAN ELECTROCUTED
AT ELECTRIC POLE

Faculty Committee To De-
termine if Fraternity Men
Will Be Questioned; Drink-
ing Hinted; Attorney Gen-
eral To Join In Investi-
gation

Raleigh, March 7.—(AP)—Dean F.
L. Cloyd called for a full investigation
today into the electrocution death of
Philip Edgar Winslow, N. C. State
College sophomore, but said he was
convinced hazing was not involved.

The body of the 21-year-old student
was found late Saturday night at the
foot of a high tension telegraph pole.
His overcoat and trousers were tied to
the foot of the pole. Coroner L. M.
Waring quoted a fellow student as
saying Winslow and several others

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Large Groups Fighting Bill To Make President Dictator If War Breaks

By CHARLES P. STEWART
Central Press Columnist

Washington, March 7.—Supporters
of the Sheppard-Hill-May war bill,
now the subject of hot contention in
Congress, are not necessarily (not all
them) militarists.
The proposed measure is the one de-
signed to give dictatorial power to the
President in the event of a conflict

involving the United States, includ-
ing military conscription between the
ages of 21 and 31, strict regulation of
labor, and a taxation system shaped
to limit profits to a very moderate
maximum.

Militarists (no one admits that he
is a militarist, but undoubtedly there

(Continued on Page Four.)

Germany's Tennis Expert Arrested

Berlin, March 7.—(AP)—Baron
Gottfried von Cramm Germany's
great tennis player, was arrested
today on the criminal police on
"serious charges." While admitting
von Cramm had been arrested,
police headquarters declined to di-
vulge the nature of the charges. It
was admitted authoritatively later,
however, that he had been taken
into custody on "suspicion of moral
delinquencies." The tennis star had
arrived home only a few days ago
after a worldwide competitive tour.

PESTILENCE FEARED IN FLOOD REGIONS

Health Officials Make Ty-
phoid Inoculations Com-
pulsory in Area

Los Angeles, Cal., March 7.—(AP)—
Health officials, alert against the
threat of pestilence, made typhoid in-
oculations throughout flood-devastated
southern California today.

No cases of the disease have been
reported, but sanitation conditions
were reported dangerous. Typhoid
serum was flown to Colton, where the
water supply was cut off.

Dr. J. A. Champion, Colton health
officer, said there was "some danger"
typhoid might break out. The toll of
dead and missing in the flood caused
by prolonged rains last week was
raised to 177 with reports from the
San Bernardino region.

Most recent estimates of damage to
private and public property still stood

(Continued on Page Four.)

MEASURE IS AIMED AT SOMEBODY, OHIO DEMOCRAT CLAIMS

Somewhere Some One Is
After Some Corporation
or Group, Speaker
Declares

REPUBLICANS JOIN
IN BITTER ATTACK

Fish Says Bill Will Continue
To Destroy Business Con-
fidence, Prolong Depres-
sion and Retard Recovery;
Calls Measure Mere Make-
shift

Washington, March 7.—(AP)—Rep-
resentative Lamneck, Democrat, Ohio,
told the House today the tax revision
bill's surtax on closely held corpo-
rations was "discriminatory and un-
just."

"There is no question in the world
this tax is aimed at somebody," he
said. "Some one somewhere is after
some corporation or some group of
corporations. If there were only one
corporation subject to this tax, I
would be against it because of its prin-
ciple."

Representative Fish, Republican
New York, told the House the tax re-
vision bill would continue "destruc-
tive, punitive taxes" that have "de-
stroyed business confidence, prolong-
ed the depression, and retarded re-
covery."

Fish shouted "it is a makeshift, a
snare and a delusion. It does not bal-
ance the budget. It does not assume
to balance the budget. It makes no
reference to tax-exempt securities
the biggest single loophole by which
the rich avoid taxes."

Republican House members talked
of getting a Democrat, Representative
Lamneck, to lead their fight for com-
plete repeal of the undistributed pro-
fits tax. If they follow this strategy,
aimed at winning more Democratic
votes, the repeal amendment to the
tax revision bill would be offered in
Lamneck's name.

Britain To Push Arms If Talks Fail

London, March 7.—(AP)—Prime
Minister Neville Chamberlain told
the House of Commons today that if the
vital peace talks with Italy and Ger-
many, opening this week, failed, Bri-
tain would speed up her already sig-
nificant re-armament program.

But, he said, if the negotiations suc-
ceeded, the program would be sus-
pended.

(Continued on Page Six.)

Tax Fields Widened By High Court

Supreme Tribunal
Reverses Previous
Rulings in Five To
Two Decisions

Washington, March 7.—(AP)—The
Supreme Court, by overruling pre-
vious decisions, widened today the
field of Federal and State taxation.

In a five-to-two decision, it revers-
ed rulings holding that the Federal
government could not tax income
derived from land leased from a state
and that a state could not tax income
derived from land leased from the
Federal government.

Chief Justice Hughes delivered the
majority opinion, which asserted that
"we are convinced that the rulings in
Gillespie vs. Oklahoma and Burnett
vs. Coronado Oil and Gas Company
are out of harmony with more cor-
rect principle, and accordingly, they
should be, and they are now, over-
ruled."

The government succeeded in the
Supreme Court in its effort to col-
lect a \$364,354 deficiency assessment
imposed against Charles Mitchell, for-
mer chairman of the National City
Company of New York on the ground
of "fraud with intent to evade" pay-
ing 1929 income tax.